

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2006

	May-06				April-06				March-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	FYTD Net	FY05 Net	Ended 6/30/2005 Net	Ended 6/30/2005 Net
LARGE CAP DOMESTIC EQUITY																								
<i>Structured Growth</i>																								
Los Angeles Capital	15,569	2.1%	2.3%	-3.18%	17,076	2.3%	2.3%	0.31%	16,864	2.3%	2.3%	4.95%	16,922	2.3%	2.3%	3.06%	16,753	2.3%	2.3%	5.46%	10.77%	7.56%	N/A	N/A
Total Structured Growth	15,569	2.1%	2.3%	-3.18%	17,076	2.3%	2.3%	0.31%	16,864	2.3%	2.3%	4.95%	16,922	2.3%	2.3%	3.06%	16,753	2.3%	2.3%	5.46%	10.77%	7.56%	7.46%	-9.18%
<i>Russell 1000 Growth</i>				-3.39%				-0.14%				3.09%				2.98%				4.01%	6.54%	1.68%	7.26%	-10.36%
<i>Structured Value</i>																								
LSV	16,492	2.2%	2.3%	-2.65%	17,105	2.3%	2.3%	2.86%	17,461	2.3%	2.3%	6.53%	16,392	2.2%	2.3%	1.52%	16,868	2.3%	2.3%	5.06%	13.77%	18.35%	14.73%	14.78%
<i>Russell 1000 Value</i>				-2.53%				2.54%				5.93%				1.27%				3.88%	11.39%	14.06%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																								
LA Capital	30,341	4.1%	4.5%	-3.31%	31,706	4.2%	4.5%	0.41%	31,294	4.2%	4.5%	4.96%	33,615	4.6%	4.5%	2.29%	33,459	4.6%	4.5%	6.45%	10.97%	7.93%	N/A	N/A
<i>Russell 1000</i>				-2.95%				1.20%				4.49%				2.12%				3.95%	8.94%	7.92%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																								
Westridge	35,834	4.8%	4.5%	-2.86%	37,276	5.0%	4.5%	1.36%	36,452	4.9%	4.5%	4.25%	34,966	4.8%	4.5%	2.10%	32,396	4.5%	4.5%	3.64%	8.61%	6.58%	N/A	N/A
<i>S&P 500</i>				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	N/A	N/A
<i>Index</i>																								
State Street	10,984			-2.89%	11,428			1.34%	11,179			4.19%	10,730			2.07%	10,732			3.58%	8.41%	6.27%	8.22%	-2.45%
Total Index	10,984	1.5%	1.5%	-2.89%	11,428	1.5%	1.5%	1.34%	11,179	1.5%	1.5%	4.19%	10,730	1.5%	1.5%	2.07%	10,732	1.5%	1.5%	3.58%	8.41%	6.27%	8.22%	-2.45%
<i>S&P 500</i>				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	109,219	14.7%	15.0%	-3.01%	114,592	15.3%	15.0%	1.17%	113,249	15.1%	15.0%	4.88%	112,625	15.3%	15.0%	2.20%	110,208	15.2%	15.0%	4.97%	10.40%	8.89%	9.59%	-0.28%
<i>S&P 500</i>				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY																								
<i>Manager-of-Managers</i>																								
SEI	35,351	4.8%	5.0%	-5.62%	38,955	5.2%	5.0%	0.28%	38,837	5.2%	5.0%	13.21%	37,019	5.0%	5.0%	0.95%	36,621	5.1%	5.0%	5.46%	14.08%	9.32%	13.32%	N/A
<i>Russell 2000 + 200bp</i>				-5.45%				0.15%				14.49%				1.64%				5.21%	15.93%	11.64%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	35,351	4.8%	5.0%	-5.62%	38,955	5.2%	5.0%	0.28%	38,837	5.2%	5.0%	13.21%	37,019	5.0%	5.0%	0.95%	36,621	5.1%	5.0%	5.46%	14.08%	9.32%	13.32%	5.50%
<i>Russell 2000</i>				-5.62%				-0.02%				13.94%				1.13%				4.69%	13.84%	9.45%	12.81%	5.71%
INTERNATIONAL EQUITY																								
<i>Large Cap - Active</i>																								
Capital Guardian	27,363	3.7%	4.0%	-5.43%	31,279	4.2%	4.0%	2.35%	30,203	4.0%	4.0%	7.18%	34,259	4.7%	4.0%	9.64%	30,583	4.2%	4.0%	12.11%	27.52%	10.32%	7.44%	-3.80%
LSV	28,796	3.9%	4.0%	-4.24%	32,574	4.3%	4.0%	3.09%	31,371	4.2%	4.0%	11.19%	30,422	4.1%	4.0%	4.29%	30,810	4.3%	4.0%	11.20%	27.31%	N/A	N/A	N/A
Total Large Cap - Active	56,158	7.6%	8.0%	-4.82%	63,853	8.5%	8.0%	2.73%	61,574	8.2%	8.0%	9.17%	64,681	8.8%	8.0%	6.96%	61,393	8.5%	8.0%	11.67%	27.49%	13.23%	12.39%	7.26%
<i>MSCI EAFE - 50% Hedged</i>				-4.66%				2.85%				9.20%				5.84%				11.07%	25.88%	14.41%	8.84%	-2.61%
<i>Small Cap - Value</i>																								
Lazard	7,429	1.0%	1.0%	-5.10%	8,093	1.1%	1.0%	4.70%	8,087	1.1%	1.0%	10.94%	7,596	1.0%	1.0%	3.01%	7,364	1.0%	1.0%	9.94%	24.84%	18.18%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				-5.40%				4.70%				9.34%				8.94%				12.05%	32.18%	21.33%	N/A	N/A
<i>Small Cap - Growth</i>																								
Vanguard	7,922	1.1%	1.0%	-4.93%	8,615	1.1%	1.0%	5.50%	7,818	1.0%	1.0%	13.70%	7,843	1.1%	1.0%	4.92%	7,451	1.0%	1.0%	10.41%	32.11%	24.11%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				-5.40%				4.70%				9.34%				8.94%				12.05%	32.18%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	71,509	9.7%	10.0%	-4.86%	80,561	10.7%	10.0%	3.22%	77,479	10.4%	10.0%	9.81%	80,121	10.9%	10.0%	6.37%	76,208	10.5%	10.0%	11.37%	27.75%	15.34%	10.62%	-2.10%
<i>MSCI EAFE - 50% Hedged</i>				-4.66%				2.85%				9.20%				5.84%				11.07%	25.88%	14.41%	8.84%	-2.61%
DOMESTIC FIXED INCOME																								
<i>Core Bond</i>																								
Western Asset	167,854	22.7%	21.7%	-0.32%	165,909	22.1%	21.7%	-0.24%	166,288	22.2%	21.7%	-0.44%	161,193	22.0%	21.7%	0.28%	159,455	22.0%	21.7%	-0.41%	-1.12%	7.14%	7.36%	8.59%
<i>Lehman Aggregate</i>				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	6.80%	5.75%	7.40%
<i>Index</i>																								
Bank of ND	151,420	20.4%	21.7%	0.06%	148,384	19.8%	21.7%	-0.32%	148,848	19.9%	21.7%	-0.95%	145,027	19.8%	21.7%	0.56%	147,431	20.4%	21.7%	-0.72%	-1.38%	4.59%	5.83%	7.36%
<i>Lehman Gov/Credit (1)</i>				-0.06%				-0.31%				-1.01%				0.60%				-0.96%	-1.74%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>																								
Wells Capital (formerly Strong)	167,787	22.7%	21.7%	-0.35%	165,137	22.0%	21.7%	-0.39%	165,732	22.2%	21.7%	-1.02%	160,857	21.9%	21.7%	0.58%	157,644	21.8%	21.7%	-1.05%	-2.21%	9.14%	9.20%	N/A
<i>Lehman US Credit BAA</i>				-0.41%				-0.36%				-1.20%				0.39%				-0.97%	-2.53%	8.60%	9.42%	N/A
TOTAL DOMESTIC FIXED INCOME	487,061	65.8%	65.0%	-0.21%	479,430	63.8%	65.0%	-0.31%	480,868	64.3%	65.0%	-0.79%	467,077	63.6%	65.0%	0.46%	464,531	64.2%	65.0%	-0.73%	-1.58%	6.14%	6.59%	7.79%
<i>Lehman Aggregate (2)</i>				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	7.26%	6.41%	7.70%
CASH EQUIVALENTS																								
<i>Bank of ND</i>																								
90 Day T-Bill	37,617	5.1%	5.0%	0.46%	37,509	5.0%	5.0%	0.37%	37,359	5.0%	5.0%	1.17%	37,342	5.1%	5.0%	1.07%	36,331	5.0%	5.0%	0.93%	4.06%	2.46%	1.74%	2.68%
				0.43%				0.34%				1.03%				0.92%				0.83%	3.60%	2.15%	1.55%	2.62%
TOTAL DEFERRED SICK LEAVE FUND	740,757	100.0%	100.0%	-1.38%	751,048	100.0%	100.0%	0.34%	747,792	100.0%	100.0%	1.91%	734,184	100.0%	100.0%	1.33%	723,898	100.0%	100.0%	1.76%	3.99%	6.75%	8.14%	4.91%
<i>POLICY TARGET BENCHMARK</i>				-1.23%				0.38%				1.84%				1.40%				1.47%	3.90%	7.00%	7.45%	4.86%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.